UNITED STATES PATENT AND TRADEMARK OFFICE
Trademark Trial and Appeal Board
P.O. Box 1451
Alexandria, VA 22313-1451

FSW

Mailed: July 19, 2005

Opposition No. 91164081
Cancellation No. 92044396

FORT JAMES OPERATING COMPANY AND GEORGIA-PACIFIC CORPORATION

v.

BRAWNY PLASTICS, INC. and NEXTEP, INC., joined as party defendants

Before Seeherman, Hohein and Hairston, Administrative Trademark Judges.

By the Board:

On January 20, 2005, plaintiffs, Fort James Operating Company and Georgia-Pacific Corporation, commenced opposition proceeding No. 91164081 against defendant Brawny Plastics, Inc.'s (BPI) application for the mark BRAWNY.[1] On March 25, 2005, plaintiffs commenced cancellation proceeding

[1] Application Ser. No. 78268015, filed June 27, 2003, for the mark BRAWNY for "metal trash receptacles for commercial, household and domestic use and plastic trash receptacles for household use"; filed on the basis of applicant's intent to use the mark in commerce.

No. 92044096 against BPI's registration for the mark BRAWNY.[2]

The application involved in the opposition proceeding was assigned to NexTep, Inc. (NexTep) on March 17, 2005. The registration involved in the cancellation proceeding was assigned to NexTep on August 6, 2003. The assignments were subsequently recorded with the Assignment Division of the Office.[3]

These cases now come up on the following motions:

1. Defendants' motion (filed May 16, 2005) to dismiss the cancellation action;

2. Defendants' motion (filed April l7, 2005) to substitute NexTep, Inc. as party defendant in the opposition proceeding;

3. Defendants' motions (filed April 15, 2005) to suspend the opposition and cancellation proceedings; and

4. Plaintiffs' motions (filed May 9, 2005) for an oral hearing on both motions to suspend.

Plaintiffs have filed responses to defendants' motions, and defendants have filed responses to plaintiffs' motions. Reply briefs were filed in support of defendants' motions to dismiss and to suspend. The Board has also *sua sponte*

[2] Registration No. 940243, issued August 8, 1972, for the mark BRAWNY for "polyethylene bags"; section 8 affidavit accepted and first renewal granted on May 1, 2003.

[3] The assignment of the application was recorded at Reel and Frame Nos. 3050/0540 on March 22, 2005, and the assignment of the registration was recorded at Reel and Frame Nos. 3052/0694 on March 24, 2005.

considered the question of consolidation of the cases, as further discussed below.

Defendants' Motion to Dismiss the Cancellation Proceeding

Defendants claim that plaintiffs, by naming BPI as respondent in the cancellation, have failed to state a claim upon which relief can be granted, because NexTep, not BPI, was the owner of the mark at the time the petition to cancel was filed. Moreover, defendants contend, NexTep is an indispensable party that cannot be joined to the action because "joinder would leave BPI as a named party, and BPI has no remaining ownership in the '243 Reg." *Applicant's Motion to Dismiss,* p. 5.

Plaintiffs argue that they did not improperly name BPI as respondent in the petition, because Office records showed BPI as record owner of the registration at the time the petition was filed. Plaintiffs argue that, while they "do not concede that joinder of Nextep is necessary in this case, BPI and Nextep have clearly requested overly broad, drastic relief by requesting that the Board dismiss these proceedings, in lieu of simply requesting that Nextep be joined as a party." *Petitioners' Brief in Opposition to Motion to Dismiss,* p. 8.

It is the policy of the Office to institute a cancellation proceeding against the party shown by the

records of the Office to be the current owner of the registration sought to be cancelled. See Trademark Rule 2.113(c); and TBMP § 310.01 (2d ed. rev. 2004). To such end, the Board conducts a title search of the USPTO assignment records to determine whether an assignment has been recorded against a registration. If an assignment has been recorded, the Board institutes the cancellation proceeding against the new owner of the registration.

Here, while there is no dispute that the registration was assigned to NexTep on August 6, 2003 (as shown by the "Trademark Sale, Assignment and License" agreement between BPI and NexTep), the assignment was not recorded until March 24, 2005, the same day the petition to cancel was filed. Moreover, even at the time the cancellation proceeding file was set up, the Board's title search of the assignment records of the Office did not reveal the identity of the assignee due to the lag time between filing and recordation of the assignment. See TBMP § 310.01 (2d ed. rev. 2004). Under the circumstances, plaintiffs cannot be faulted for naming BPI as the defendant in the petition to cancel.

Accordingly, defendants' motion to dismiss the cancellation action is hereby denied.

However, because NexTep is the current owner of the registration, NexTep should be joined or substituted as a party defendant. Whether an assignee should be joined or

substituted generally depends on when the registration was assigned and when the assignment was recorded with the USPTO.

Typically, an assignee may be substituted if the assignment and recordation thereof occurred prior to the commencement of the proceeding; if the assignment or recordation thereof occurred subsequent to the commencement of the proceeding, the assignee will be joined. See TBMP § 512.02 (2d ed. rev. 2004). In this case, the assignment from BPI to NexTep was recorded on the same date that the petition for cancellation was filed. Under these circumstances, we think it appropriate to join, rather than substitute, NexTep as a party to the cancellation in order to facilitate discovery.

Defendants' Motion to Substitute in the Opposition Proceeding

Defendants' motion to substitute is based on their August 6, 2003 agreement, wherein BPI agreed to assign its trademark application to NexTep "upon the filing of a verified statement of use" in the application. No statement of use has been filed in the application, but on March 17, 2005, an assignment of the mark "together with the goodwill of the entire business in connection with which the trademark is used and which is symbolized by the trademark" was executed by BPI as assignor of the application.

Defendants contend that the "original assignment occurred prior to the commencement of this proceeding," and

that the March 17, 2005 assignment was merely a "supplemental assignment called for in the [August 6, 2003] agreement." *Defendants' Reply In Support of Motion To Substitute Parties,* pp. 2, 3. Since the assignment occurred before the proceeding commenced, defendants argue, NexTep should be substituted for, rather than joined with, BPI.

We disagree. The original agreement did not effect an assignment of the application. The assignment of the application occurred on March 17, 2005, after the opposition proceeding commenced. Thus, the proper course of action is for NexTep to be joined as a party defendant in the opposition, rather than substituted for BPI. See TBMP § 512.02 (2d ed. rev. 2004).

Accordingly, defendants' motion to substitute NexTep for BPI in the opposition is denied, and NexTep is hereby joined as a party defendant in the opposition proceeding.

Consolidation of the Cases

The Board may order consolidation of the cases on its own initiative. See Fed. R. Civ. P. 42(a); and TBMP § 511 (2d ed. rev. 2004).

Both the opposition and the cancellation proceeding involve NexTep's rights to the mark BRAWNY. The parties are the same in both cases, and the issues presented by the pleadings involve common questions of law and fact.

Accordingly, these cases are hereby consolidated and the captioning of this proceeding is amended to reflect their consolidation (and joinder of NexTep as party defendant).[4]

Defendants' Motions to Suspend; Plaintiffs' Motions for Oral Hearing

Defendants contend that proceedings herein should be suspended pending the final disposition of a civil action between NexTep and plaintiffs.[5] Plaintiffs request an oral hearing on defendants' motions to suspend.

The parties' arguments on the motions to suspend have been adequately presented in their briefs, and oral hearings thereon are unnecessary. Accordingly, plaintiffs' motions for an oral hearing on defendants' motions to suspend are hereby denied. See TBMP § 502.03 (2d ed. rev. 2004).

Trademark Rule 2.117(a) permits a Board proceeding to be suspended whenever parties to a case pending before it are involved in a civil action "which may have a bearing on"

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[4] The cases may now be presented on the same records and briefs. Papers should bear the number of each of the consolidated cases, although Opposition No. 91164081 is treated as the "parent" case, and most of the papers filed by the parties, or issued by the Board, will be placed only in the file of the parent case. The parties need not file a copy for each consolidated case; a single copy, bearing the number of each consolidated case, normally is sufficient.

Consolidated cases do not lose their separate identity because of consolidation. Each proceeding retains its separate character and requires entry of a separate judgment. See Wright & Miller, Federal Practice and Procedure: Civil §2382 (1971).

the rights of the parties in the Board case. Where, as here, the civil action is in a federal district court and involves issues in common with those in the Board proceeding, suspension is further warranted because the decision of the federal district court is binding upon the parties thereto, while the decision of the Board is advisory only to the court. See TBMP § 510.02(a)(2d ed. rev. 2004) and authorities cited in that section.

NexTep, as plaintiff in the civil action, seeks a declaratory judgment that its rights in the BRAWNY mark are superior to those of plaintiffs; that its use of the BRAWNY mark does not infringe any of plaintiffs' rights; and that the assignment of the registration for the mark from BPI to NexTep was valid. Disposition of these issues by the district court will have a direct bearing on the issues raised in this consolidated proceeding.

Accordingly, defendants' motions to suspend are hereby granted. Proceedings are suspended pending final disposition of the civil action between the parties.

The Board may make biannual inquiry as to the status of the civil action. If the case is resolved, the parties should promptly notify the Board so that this case may be called up for appropriate action. During the suspension

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[5] *NexTep, Inc. v. Fort James Operating Co. and Georgia-Pacific Corp., Case No. CV-N-05-0227-ECR-RAM,* United States District Court for the District of Nevada, filed April 14, 2005.

period the Board should be notified of any address changes for the parties or their attorneys.

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